

EEOICPA BULLETIN NO. 02-12

Issue Date: July 31, 2002

Effective Date: March 15, 2002

Expiration Date: July 31, 2003

Subject: Compensation Payment Process

Background: Between August 2001 and March 2002, lump sum payments were processed by staff at the National Office and issued to claimants through the Electronic Certification System (ECS) at the National Office. During the week of March 11, 2002, team members from the Branch of Automated Data Processing, Coordination and Control (BADPCC) and the Branch of Policy, Regulations, and Procedures (BPRP) conducted training on the compensation transaction process in each District Office (DO). Effective March 15, 2002 the District Offices began processing and issuing payments directly to claimants through the Energy Case Management System (ECMS). This bulletin provides written guidance regarding the procedures to be used and the policies to be followed in processing a compensation payment. Flowcharts which were referenced during the training are attached. Attachment 1 shows the actions involved in processing an Electronic Funds Transfer (EFT) transaction. Attachment 2 shows the actions involved in processing a paper check transaction.

Reference: 20 CFR 30.0.

Purpose: To provide procedures to District Office personnel with respect to the compensation payment process.

Applicability: All staff.

Actions:

1. When a final decision is issued by the Final Adjudication Branch (FAB) notifying a claimant that s/he is entitled to compensation, FAB enters the AOP (Acceptance of Payment) Sent Date (the date of the acceptance of payment letter to the claimant) in ECMS and sends the letter EE-20 with enclosure, form EN-20, to the claimant for completion. All completed EN-20 forms are received and date stamped in the District Office mailroom. They are then distributed to the claims examiner (CE) or the payee change assistant (PCA) based on the method of payment requested by the claimant. If payment is requested by EFT, the PCA is given the form EN-20. S/he enters the AOP Received Date (the date EN-20 was received back from the claimant), the AOP amount, and EFT data on the ECMS payee screen. The PCA then forwards the EN-20 to the CE. If payment is requested by paper check, the CE is given the form EN-20. S/he enters the AOP Received Date and AOP Amount on the ECMS payee screen.

2. The CE ensures that the claimant (or an authorized representative with an appropriate Power of Attorney) signed the form EN-20. The CE pays particular attention to whether the payment is to be issued to the claimant or to his/her authorized representative with Power of Attorney. In order for a compensation payment to be made out to an authorized representative with Power of Attorney, the file must contain evidence that the Power of Attorney document was reviewed by the DOL's Office of the Solicitor and any deficiencies in the document were corrected prior to creating a compensation payment.

3. The CE is responsible for taking any follow-up action on a deficient form EN-20. If the EN-20 is not signed, the CE makes a copy for the case file and returns the original to the claimant for signature. If the EN-20 has crossouts, erasures, or clarification is needed (e.g., on a bank routing number and/or account number) the CE contacts the bank and/or the claimant (preferably by phone) for clarification. Telephone calls must be documented for the case file. Clarification from either the claimant or bank must be in writing and must be dated and signed. After clarification is received, the CE attaches the letter of clarification to the original form EN-20 and forwards both documents to the PCA who enters the correct EFT data into ECMS. The CE, at his/her discretion, may request that a

new form EN-20 be completed before a payment is created.

Faxed EN-20 forms will not be accepted nor will faxed EFT clarifications. If the EN-20 has an incorrect bank routing number, the CE can obtain the correct routing number by using the Federal Reserve Financial Services Internet web site (<http://www.fededirectory.frb.org>)

4. The CE reviews the claimant's address as reported in the Corrections Section and the Certification Section of the form EN-20 by matching each address: a) to the address on the EE-1/EE-2 or to the most recent change of address in the case, and b) to the on-line address for the case. If the claimant provides an address in the Corrections Section and/or the Certification Section of the EN-20 which is different from the address of record, the CE should contact the claimant (preferably by phone) to verify if the change of address is permanent or only a temporary payment address. The CE should document the content of the telephone call for the case file. If a permanent change of address has been reported and if payment is to be made by paper check, the change of address must be processed by the PCA prior to the CE creating the payment. If the change of address is a payment only, temporary address and the claimant has requested a paper check, the CE should advise the claimant that s/he must submit a brief written statement concerning the address change for the case file. (Faxes will not be accepted.) The statement must be in the case file prior to creating the payment. After receiving confirmation from the claimant that s/he wants the paper check to go to a temporary address, the CE enters the payment only address into the ECMS compensation screen when s/he creates the payment. If payment is to be made by EFT and there is a permanent change of address, the CE should flag the case file for later follow up. To avoid delays in making the payment, the EFT compensation transaction should be completed prior to processing the change of address.

Note: International EFTs are not allowed as they are not part of the U.S. Treasury Bank/Routing system. A claimant living outside of the U.S. can set up a bank account in an U.S. Bank and use a worldwide ATM machine to withdraw funds. For international payments, paper checks are another option. Paper checks are sent via the mail to the claimant's address.

5. Before creating the payment in ECMS, the CE completes the Payment Transaction Form (PTF) using information found on the form EN-20 or in the case file. A separate PTF must be completed for each payee receiving compensation. The PTF is electronically accessible. (Attachment 3 is a copy of the PTF that should be used in each DO.) The CE must be careful in entering the employee, payee, and payment information on the PTF as it is the source document for each payment. The PTF must reflect either a paper check address or an EFT bank routing number, account number, and account type. In addition, the PTF cannot contain any cross-outs, whiteouts, or erasures. The document must be error free.

6. After the PTF is completed, the CE creates the payment. The CE creates a separate compensation payment transaction for each payee. The required on-line data entered by the CE includes:

EFT PAPER CHECK

- Employee and payee SSN(s)
- payee's mailing address, but only *if it is a **temporary payment address***. (If paper check is going to payee's permanent address, never enter it as ECMS automatically defaults to it)
- bank routing number (must be nine characters, all numeric with no embedded spaces, dashes, or special characters)
- payee's savings or checking account number (no dashes or spaces allowed)

EFT PAPER CHECK

- payee's account type (savings or checking)
- amount of payment

Note: Payments keyed for more than \$150,000

on an individual non-RECA case and more than \$50,000 on an individual RECA case will reject. In addition, a compensation transaction cannot be completed without each payee's social security number.

7. If payment for a minor child is to be made through EFT, the compensation should be deposited into the parent's or legal guardian's bank account. If payment is to be made through paper check, it should be made out in care of the parent or legal guardian. For example, a paper check would be keyed onto the address field in ECMS as follows:

Marian Smith
For John Smith, Jr.

8. Once the payment data has been created on the ECMS compensation screen, the CE clicks the SAVE button and the compensation transaction is saved. The CE's name (based on user ID) and the transaction date automatically appear on the compensation screen. **The CE signs and dates the PTF in the Approvals Section, (Item #1 - Creation).** The CE changes the case file location in ECMS to the Senior or Supervisory CE location (DO discretion) and forwards the hard copy case file with the PTF(s) to the Senior or Supervisory CE's location for certification of the payment.

9. The Supervisory or Senior CE compares the information recorded on the PTF (employee's social security number; in a survivor's claim, the payee's social security number; the payment amount; and the information required for EFT or a paper check) with documents (EE-1, EE-2, EN-20) in the case file to ensure the PTF is correct. S/he then compares the information recorded on the PTF with the data entered into ECMS to ensure the on-line data is correct. If the Supervisory or Senior CE determines that an error exists, s/he clicks the REJECT button on the ECMS certify screen.

This clears the CE's user ID and creation data from the transaction. The Supervisory or Senior CE indicates in the Transaction Cancelled section of the PTF the reason the compensation transaction was cancelled. Corrections must not be made to the PTF or to the on-line data by the certifier. The case file and the PTF are returned to the CE for corrections. The CE starts again by completing a new PTF, entering the on-line data as necessary, and forwarding

the case to the Supervisory or Senior CE for certification. All PTFs are maintained as part of the case file.

10. When the Supervisory or Senior CE is satisfied that the PTF information and on-line data are correct, s/he clicks the CERTIFY button in ECMS. His/her name (based on user ID) and the certification date appear on the compensation screen. **The Supervisory or Senior CE signs and dates the PTF in the Approvals Section, (Item #2 - Certification)**. The Supervisory or Senior CE changes the case file location in ECMS and forwards the hard copy case with the PTFs to the Fiscal Officer's location for verification of the payment.

Note: When the payment is certified, the record is automatically locked by ECMS and no changes can be made to the record in its locked status. However, if an error is detected after the payment is certified and locked, the record can be unlocked by the certifier. (ECMS also allows the record to be unlocked by the Chief of Operations, Fiscal Officer, or District Director.) Unlocking the record erases the created and certified statuses on the compensation screen. ECMS automatically returns the record to the CE. The certifier returns the hard copy case file and PTF to the CE. The CE will access the unlocked record and correct whatever error was made.

11. The Fiscal Officer ensures that data from the PTF has been correctly entered into the ECMS compensation screen. It is not the Fiscal Officer's responsibility to review the

PTF for accuracy. The Fiscal Officer only compares the information on the PTF with the information that has been entered into ECMS. If an error is detected, the Fiscal Officer hits the CANCEL button. The CANCEL button leaves everything "as is." The Fiscal Officer then unlocks the transaction by selecting UNLOCK Transaction from the ECMS compensation menu, highlighting the record in the list of payments which are locked, and clicking the UNLOCK button. This places the ECMS record back in posture for the CE to correct the payment. The Fiscal Officer is prohibited from making corrections to the PTF or to the on-line data. S/he should indicate in the Transaction Cancelled section of the PTF the reason the transaction was cancelled. The hard copy of the case file and the PTF are returned to the CE for corrective action. The CE starts again by completing a new PTF, entering the corrected on-line data

in ECMS, and forwarding the case and PTF to the Supervisory or Senior CE for certification and then to the Fiscal Officer for verification of the corrected payment.

12. When the Fiscal Officer is satisfied that the PTF and on-line data in ECMS are correct, the Fiscal Officer clicks the VERIFY button. His/her name (based on user ID) and the verification date appear on the compensation screen. Once the payment is verified in ECMS, the payment is placed in a verified status and remains locked. **The Fiscal Officer signs and dates the PTF in the Approvals Section, (Item #3-Verification).** The Fiscal Officer changes the case file location in ECMS to the District Director's location and forwards the hard copy case file with the PTF(s) to the District Director for authorization of the payment.

Note: If an error is detected after the payment is verified, only the Fiscal Officer, Chief of Operations, or District Director can unlock the record. Unlocking the record erases the created, certified, and verified statuses on the compensation screen. The ECMS record is automatically returned to the CE. The Fiscal Officer returns the hard copy case file and PTF to the CE for corrective action.

13. The District Director compares the information recorded on the PTF (employee's social security number; in a survivor's claim, the payee's social security number; the payment amount; and the information required for EFT or a paper check) with documents (EE-1, EE-2, EN-20) in the case file to ensure the PTF is correct. The District Director compares the PTF with the on-line ECMS data to ensure the on-line data is correct. If an error is detected, the District Director hits the CANCEL button. The CANCEL button leaves everything "as is." The District Director then unlocks the transaction by selecting UNLOCK Transaction from the ECMS compensation menu, highlighting the record in the list of payments which are locked, and clicking the UNLOCK button. This places the ECMS record back in posture for the CE to correct the payment. The District Director is prohibited from making changes to the PTF or to the ECMS on-line data. The District Director indicates in the Transaction Cancelled section of the PTF the reason the compensation transaction was cancelled. The hard copy case file and PTF are returned to the CE for corrective actions. The CE creates the amended payment in ECMS. The payment will also be certified and verified

before it is returned to the District Director for authorization.

14. When the District Director is satisfied that the PTF information and on-line data are correct, the District Director clicks the AUTHORIZE button. His/her name (based on user ID) and the authorization date appear on the compensation screen. The payment is then ready for transmission to the Department of the Treasury. **The District Director signs and dates the PTF in the Approvals Section, (item # 4 - Authorization).**

Note: If an error is detected after the payment is authorized but not transmitted to the Department of the Treasury, only the District Director can unlock the record from its authorized status. If unlocked, the created, certified, verified, and authorized statuses are erased on the compensation screen, and the ECMS record is automatically returned to the CE. The District Director returns the hard copy case file and PTF to the CE for corrective actions. The CE creates the amended payment in ECMS. The payment is certified and verified before it is returned to the District Director for authorization.

15. If it is determined by the DO that a payment should not be released (e.g. the payee died) the payment transaction can be deleted. Payment transactions that have not been transmitted to the Department of the Treasury are deleted by clicking the DELETE ICON (-) on the Compensation Payment Update screen. The Fiscal Officer and District Director can delete compensation payments in their own DO.

16. After the payment has been transmitted, the District Director or Fiscal Officer (DO discretion) ensures that the PTF used to create the payment is photocopied and placed in the case file. The original PTF is retained in a folder secured by lock and key. These copies of PTFs should be filed chronologically oldest to most current.

17. The District Director or Fiscal Officer releases the case file to FILES and changes the case file location in ECMS.

18. Each week the Fiscal Officer takes all the PTFs completed for the week and prints a benefits transaction report. The report consists of a separate page for each

case in which a compensation transaction was created. The report identifies the payee, where the payment was sent, and the amount of the payment. The Fiscal Officer compares each page of the report to the corresponding PTFs to ensure the compensation transaction was made in accordance with the information approved on the PTF. Each page from the benefits transaction report is attached to the corresponding PTF. The documentation is then filed by the Fiscal Officer or District Director (at DO discretion) to ensure an accurate log of payments is maintained. A copy of the benefit transaction report, by case number, can be copied for individual case files.

19. When an EFT deposit or paper check is returned to the Treasury Department by the bank or post office, the Treasury Department notifies the National Office. The NO Fiscal Officer, in turn, contacts the DO to report non-receipt of the issued payment by the claimant. If the claimant's address or EFT data has changed, the claimant must complete a new EN-20 before compensation is reissued.

20. If the creator, certifier, verifier, or authorizer is not available to perform his/her payment function, backups can be used.

- Any CE, Senior CE, or Supervisory CE can create the payment.
- Any Supervisory or Senior CE in the DO can certify the payment as long as s/he did not create the payment.
- The District Director should be notified when the Fiscal Officer is unavailable to verify payments. Either the District Director or Chief of Operations can, in the Fiscal Officer's absence, verify payments. However, ECMS will not allow him/her to authorize the same payment.
- The National Office must be advised when the District Director is unavailable to authorize payments. ECMS will be adjusted so that payments can be authorized on a temporary basis by either the Chief of Operations or the Regional Director.

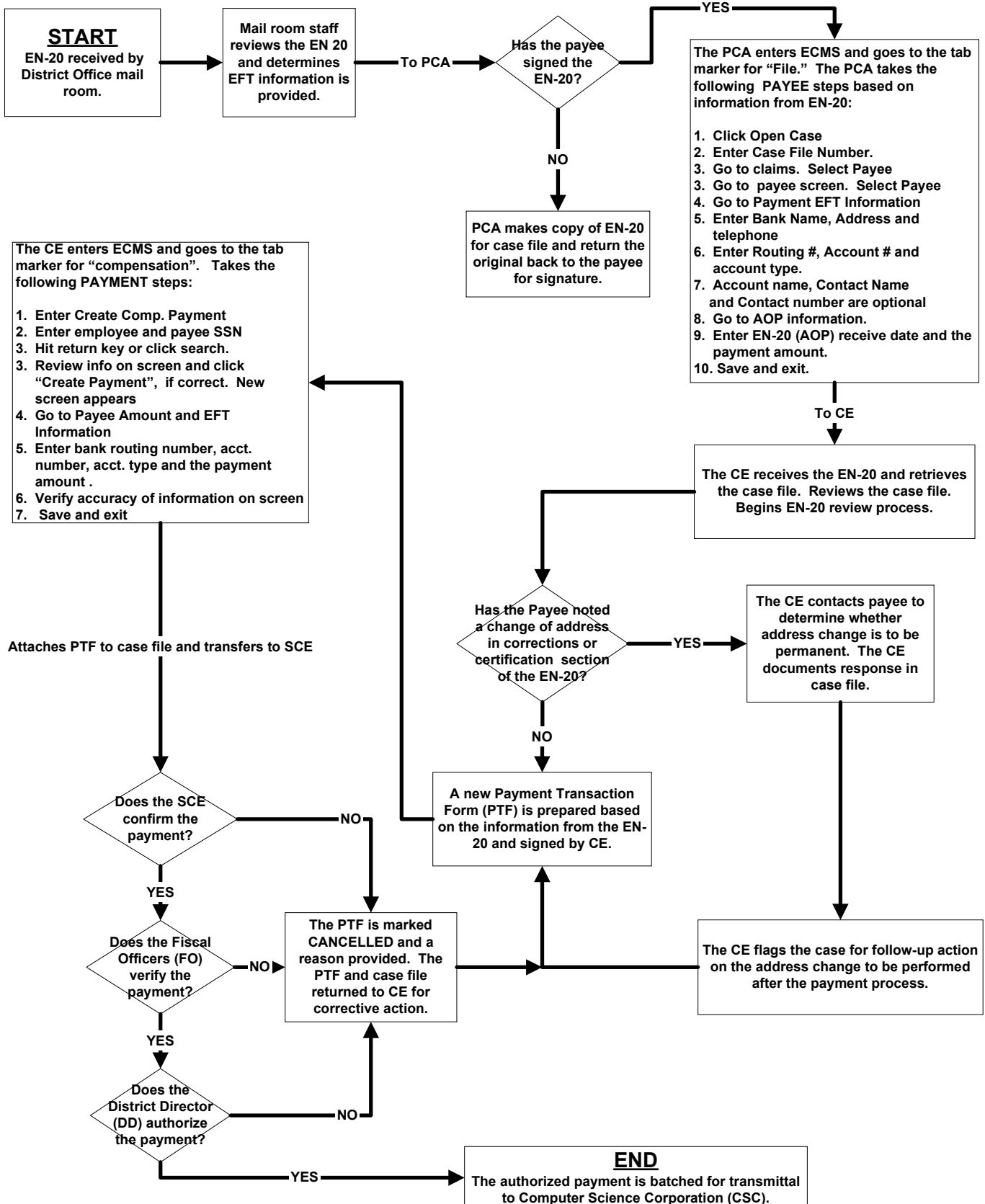
- For security reasons, absolute separation of PCA, CE, certifier, verifier, and authorizer must be maintained.

Disposition: Retain until incorporated in the EEOICPA Procedure Manual.

PETER M. TURCIC
Director, Division of Energy Employees
Occupational Illness Compensation

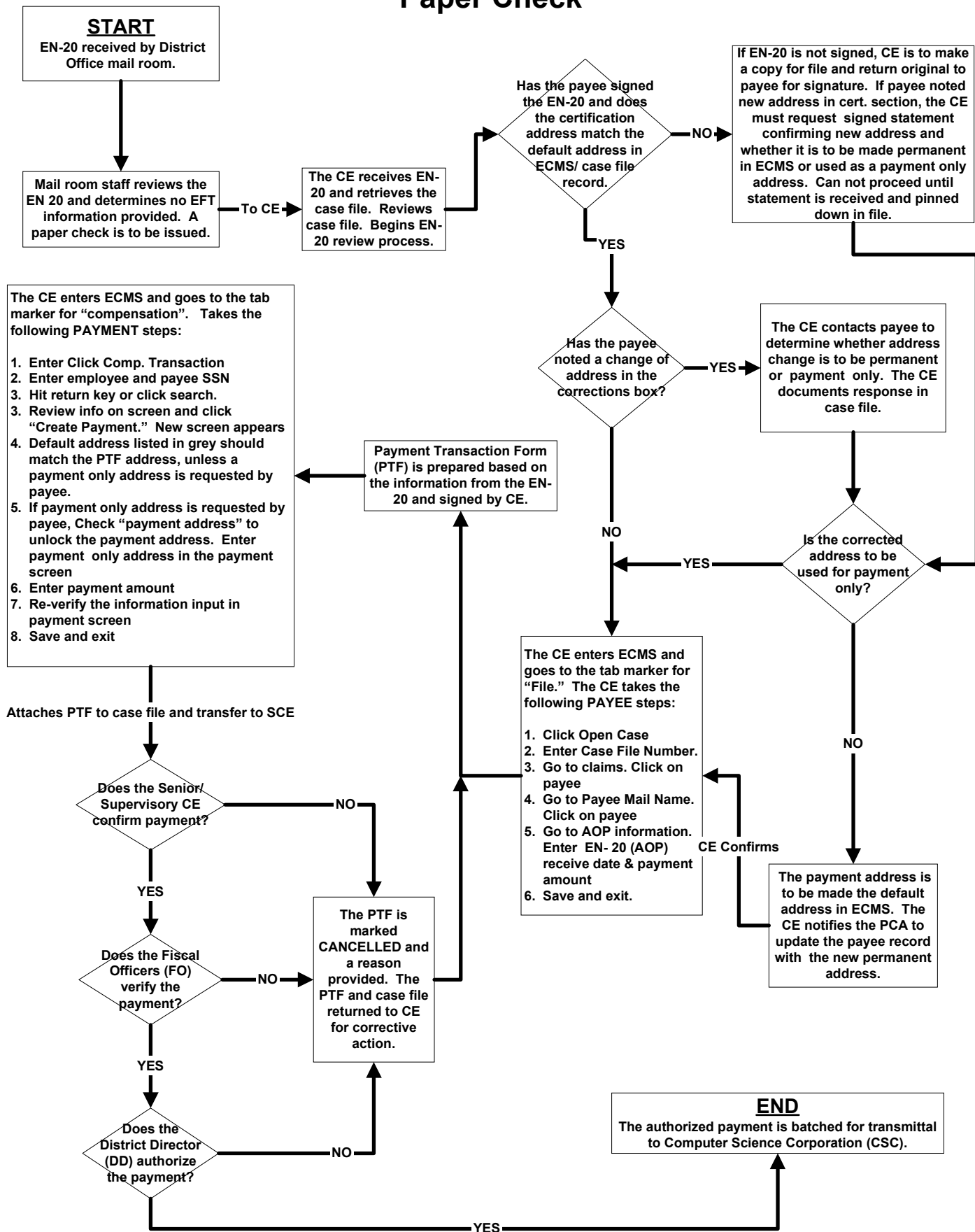
Distribution List No. 1: (Claims Examiners, Supervisory Claims Examiners, Technical Assistants, Customer Service Representatives, Fiscal Officers, FAB District Managers, Operation Chiefs, Hearing Representatives, District Office Mail & File Sections.

Compensation Payment Process EFT Transaction



Compensation Payment Process

Paper Check



PAYMENT TRANSACTION FORM

CASE FILE INFORMATION

EMPLOYEE SSN: _____ PAYEE SSN: _____

PAYEE NAME: _____
Last First MI

PAYMENT AMOUNT: \$ _____

PAYMENT ADDRESS – *To be completed for Paper Checks ONLY*

Is this a PAYMENT ONLY address? YES ☐ NO ☐

LINE 1 _____

LINE 2 _____

LINE 3 _____

LINE 4 _____
CITY STATE ZIP

EFT ACCOUNT INFORMATION – *To be completed for EFT Transactions ONLY*

EFT BANK ROUTING #: _____

EFT BANK ACCOUNT #: _____

EFT ACCOUNT TYPE: CHECKING ☐ SAVINGS ☐

CERTIFICATION

| APPROVALS | PRINT NAME | SIGNATURE | DATE |
|----------------------|------------|-----------|------|
| 1. Set Up/CE | | | |
| 2. Certification/SCE | | | |
| 3. Verification/FO | | | |
| 4. Authorization/DD | | | |

TRANSACTION CANCELLED: YES ☐

CANCELLED BY: _____

REASON: _____